

ECONOMIC DEVELOPMENT COMMITTEE

DATE: February 20, 2008

CALLED TO ORDER: 5:30 p.m.

ADJOURNED: 6:26 p.m.

ATTENDANCE

ATTENDING MEMBERS

Jeff Cardwell, Chair
Jose Evans
Robert Lutz
Brian Mahern
Barbara Malone
Kent Smith

ABSENT MEMBERS

Mary Moriarty Adams

AGENDA

PROPOSAL NO. 14, 2008 - nominates Terry Dilk for appointment to the Beech Grove Economic Development Commission
"Postpone" until March 19, 2008

Vote: 5-0

PROPOSAL NO. 15, 2008 - appoints Robert Gallant to the Indianapolis Economic Development Commission
"Do Pass"

Vote: 6-0

PROPOSAL NO. 16, 2008 - appoints Patricia Chastain to the Indianapolis City Market Corporation Board of Directors
"Do Pass"

Vote: 5-0

PROPOSAL NO. 17, 2008 - appoints Richard D. VanParis, II to the Indianapolis City Market Corporation Board of Directors
"Do Pass"

Vote: 5-0

Presentation on City Market – Joe Dayan, Executive Director

ECONOMIC DEVELOPMENT COMMITTEE

The Economic Development Committee of the City-County Council met on Wednesday, February 20, 2008. Chair Jeff Cardwell called the meeting to order at 5:30 p.m. with the following members present: Robert Lutz, Brian Mahern, Barbara Malone, and Kent Smith. Jose Evans arrived shortly thereafter. Absent was Mary Moriarty Adams.

PROPOSAL NO. 14, 2008 - nominates Terry Dilk for appointment to the Beech Grove Economic Development Commission

Chair Cardwell stated that Mr. Dilk is not able to attend the meeting and he would entertain a motion to postpone this proposal.

Councillor Smith moved, seconded by Councillor Mahern, to "Postpone" Proposal No. 14, 2008 until March 19, 2008. The motion carried by a vote of 5-0.

PROPOSAL NO. 16, 2008 - appoints Patricia Chastain to the Indianapolis City Market Corporation Board of Directors

Ms. Chastain stated that she worked for the Indianapolis Water Company for 22 years in community service and has really enjoyed working with the public. She said that she served on the Fire Merit Board for a couple of years and really missed interacting with the public. Ms. Chastain stated that the City Market is one of her passions and she is eager to get started.

Councillor Lutz moved, seconded by Councillor Smith, to send Proposal No. 16, 2008 to the full Council with a "Do Pass" recommendation. The motion carried by a vote of 5-0.

PROPOSAL NO. 17, 2008 - appoints Richard D. VanParis, II to the Indianapolis City Market Corporation Board of Directors

Mr. VanParis stated that he has been a resident of Indianapolis since 1971. He has served with a Certified Public Accountant (CPA) firm in Indianapolis. Mr. VanParis stated that he worked at a private industry corporation as an Executive Vice President and that he is a stockbroker, CPA and licensed to sell insurance in various states. Mr. Van Paris stated that his career has given him the opportunity to serve the community.

Councillor Malone moved, seconded by Councillor Lutz, to send Proposal No. 17, 2008 to the full Council with a "Do Pass" recommendation. The motion carried by a vote of 5-0.

Presentation on the City Market

Joe Dayan, Executive Director

Mr. Dayan stated that he has been the Executive Director for the City Market since June 2007 and has seen it through some tough times to where it is today. Mr. Dayan stated that the City Market was built in 1886 and was formerly Tomlinson Hall. He said that the Market is one of five existing Markets in the United States that is being used for its original purpose. Mr. Dayan distributed and discussed a handout, which is attached as Exhibit A. Some of those items discussed are:

- City Market Corporation is a 501 (c) 3 not-for-profit organization
- Annual operating budget, 2008: \$959,777
- Hours of operation: 6 a.m. – 6 p.m. Monday – Friday and 10 a.m. – 4 p.m. Saturday
- Total Square footage: 96,517
- Current Tenants: 36
 - Eateries - 16
 - Fresh Foods & Sundries – 20
- Estimated average sales leased per square foot – 267
- Major event promotions – Wednesday Farmer's Market (May – October)
Music on the Plaza
Friday's Beer Garden (May – September)

Mr. Dayan stated that when he arrived at the City Market, his predecessor had run out of money to finish the projects that were scheduled. He said that during the current project, it was discovered that the plumbing is old and outdated. He said that when the contractors went back to connect the plumbing, they found it to be falling apart, and the entire floor had to be taken up. The plumbing had to be redone, which cost the Market about \$700,000. Mr. Dayan stated that when he came aboard, the previous Mayor's administration had ceased giving the City Market funds to complete the project. He said that they have received \$900,000 from Eli Lilly, \$100,000 from Central Indiana Community Foundation (CICF), \$10,000 from Lisk and about \$800,000 from the City. He said that his job was to find money to finish the project, and it took about three months before the Market received about \$700,000 from Chase Bank. Those funds also covered American Disabilities Act (ADA) requirements, since the Market was no longer grandfathered in, and they made several ADA and fire marshal upgrades. Mr. Dayan stated that the tenants were moved temporarily from the Market House to the east wing. They suffered considerably because they were told that they were only going to be there for three months and were actually there for eleven months. He said that some of the funds were used to buy new tenant spaces. He said that some tenants would not have been able to function financially if they were moved back into the Market.

{Clerks Note: Councillor Evans arrived at 5:39 p.m.}

Mr. Dayan stated that the east and west wings of the Market were built to accommodate Market Square Arena's traffic flow. He said that the east wing is almost completely empty and they are looking to attract major tenants in that wing. He said that the west wing houses food court vendors, as well as the IndyGo information and call center, and is 100% leased, along with the Market House with the signing of a baker and a gourmet wine, beer and cheese shop.

Mr. Dayan stated that with the new administration, the Market has six board openings that need to be appointed by the Mayor's office. He said that three of those appointments, are required to be the Controller or his designee, the Deputy Mayor or his designee and an elected official. He said that at this meeting, two of the Council's appointments have been filled out of a total of seven. There is a total of 13 board members on the City Market board.

Mr. Dayan stated that the Market's budget does not allow very much marketing and promotion. He said that there is only about \$12,000 per year for marketing. He said that the City Market has never broken even or turned a profit. He said in addition to that \$700,000; \$80,000 was used to expand the Mezzanine and a program was instituted to lease the Market out for special events such as weddings, parties and conventions. He said that so far, seven parties have been booked for 2008 and 2009. He said that there will be a grand Re-opening for the City Market in June 2008, with a week-long celebration to honor the donors who have helped make the renovations possible. Mr. Dayan stated that the Market is dynamic, and he is very passionate about seeing it succeed and move forward.

Chair Cardwell asked if Mr. Dayan can give the website to the City Market, grand opening date, square footage, rental price and what an ideal tenant would be for the east wing, in case someone is interested. Mr. Dayan stated that the website was already developed before he took over. The website is <http://www.indycm.com>. He said that the website is very interactive and is shown also on Channel 16. Mr. Dayan stated that the grand re-opening will be the second or third week of June 2008. He said that for the east wing, there was some discussion regarding ideal usage for that space being a smaller conference center on the second floor and a commercial kitchen to lease out. He also said that the room could rent anywhere between \$300 to \$600 per event. Chair Cardwell asked what the square footage available in the east wing is and what the price is. Mr. Dayan stated that the square footage is about 9,000; 6,000 square footage on the lower level and 3,000 on the upper level. The charge for retail tenants is five dollars per square foot and for prepared food vendors the charge is \$10 per square foot.

Councillor Mahern thanked Mr. Dayan for his presentation on the City Market and said that he is really encouraged about what the Market is doing.

Councillor Malone stated that the Market looks great. She said that it was quite a surprise on how the renovations are coming along. Mr. Dayan stated that all of the

surveys that have been done on the Market summarized three desires; less of a food court in the Market, more parking and cleanliness.

Councillor Smith asked if the market was open to joint ventures that are not necessarily at the Market but represent it. Mr. Dayan answered in the affirmative.

Councillor Lutz asked if there is some activity going on along Market Street in the summer months during the noon hour. Mr. Dayan stated that from 10 a.m. to 2 p.m., the Farmer's Market is along Market Street from mid-May to the end of October. He said that the Farmer's Market brings an additional 300 people through the Market during that time.

Councillor Evans stated that there may be someone watching this meeting and interested in hosting a party or having their wedding reception at the Market. He asked about the price for rental space and if the Market is willing to extend the hours of operation for persons wanting to host some type of party. Mr. Dayan stated that Saturday hours are for the tenants, and a portion of the Mezzanine can be closed off for persons wanting to host a party. He said that the fee to rent is \$1,500.

Councillor Lutz asked what is in the Catacombs. Mr. Dayan stated that the catacombs were the basement over Tomlinson Hall, and when it burned down, the basement was still intact and the arch was left over from Tomlinson Hall.

Chair Cardwell asked if tours are available to the public. Mr. Dayan answered in the affirmative, stating that there is a nominal fee that goes toward the Market. Chair Cardwell asked if there is a phone number that can be given out to those that do not have internet access. Mr. Dayan stated that the general Market number is 634-9266, and his extension is 9168.

PROPOSAL NO. 15, 2008 - appoints Robert Gallant to the Indianapolis Economic Development Commission

Mr. Gallant stated that he works for Browning Development Construction Company. He said that he has spent eight years working in economic development for the state of Indiana. He said that in the last 15 years, he has been in the real estate development construction business. Mr. Gallant stated that he is extremely enthused to have this opportunity to provide leadership to this board.

Councillor Mahern stated that he represents the near eastside and that area is in much need, as well as the rest of the county. He asked if Mr. Gallant would share some ideas that he has for the near eastside. Mr. Gallant stated that he is very familiar with the eastside and there are a lot of issues such as foreclosures and crime. He said that there are a lot of things that can be done on both the micro and macro level to help the eastside. He said that getting the community involved, seeing the potential tax

abatement incentives, and using them judiciously to try and spur economic development are a few things that can be done

Chair Cardwell stated that Mr. Gallant has been on the forefront of a lot of development for many years. He asked if Mr. Gallant can give a global view of some of the large projects that are going on and where he sees the future of Indianapolis in economic development. Mr. Gallant stated that there are pockets of activity all over the central Indiana region. He said that the westside in Hendricks County has the new airport, and there will be property available at Washington Street where the old terminal was at the Indianapolis International Airport. He said that people will come and invest and the City has to make those connections.

Councillor Smith asked what role Mr. Gallant sees the Community Development Corporation (CDC) playing in economic development and what would Mr. Gallant like to see from the CDC. Mr. Gallant stated that the CDC is more of a micro focus where they are more concerned with the neighborhoods and need to be more involved with small businesses. He said that anything we as a community can do to support the CDC will be magnified all around.

Councillor Malone asked if Mr. Gallant foresees a potential conflict of interest between what he does at Browning and serving on this board. Mr. Gallant stated that there occasionally could be a place where Browning is active in a certain project, and if that was the case, he would recuse himself from being involved. He said that he does not see a whole lot of conflict with working at Browning and serving on this board.

Councillor Evans stated that his district, from 86th and Michigan Road to Kessler and 62nd Street, is in need of a lot of economic development. He stated that a small group is trying to change Michigan Road to Dr. Martin Luther King, and he asked Mr. Gallant what the financial impact would be on those businesses in that area. Mr. Gallant stated that some businesses would have to change their stationery and business cards and things of that nature, but he does not imagine that would be a detriment to those businesses or the community.

Councillor Lutz moved, seconded by Councillor Mahern, to send Proposal No. 15, 2008 to the full Council with a "Do Pass" recommendation. The motion carried by a vote of 6-0.

There being no further business, and upon motion duly made, the meeting adjourned at 6:26 p.m.

Respectfully Submitted,

JC/lw

Jeff Cardwell, Chair

